

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS  
DEPARTMENT OF BUSINESS REGULATION  
JOHN O. PASTORE CENTER, BLDGS. 68-69  
1511 PONTIAC AVENUE  
CRANSTON, RI 02920**

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**IN THE MATTER OF:** :  
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**THCBD, LLC,** : **DBR No. 20MM005**  
 :  
**RESPONDENT.** :  
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**CONSENT AGREEMENT**

The Department of Business Regulation, Office of Cannabis Regulation (“Department”) and THCBD, LLC, a Rhode Island limited liability company (“Respondent”), hereby consent and agree that:

1. Respondent submitted its medical marijuana cultivator application, Application No. MMP CV 0117 (“Application”) for a medical marijuana cultivator License (“License”) on April 28, 2017.
2. In December of 2017, Respondent provided the required documents for its proposed location at [REDACTED], Hope Valley (“Facility Location 1”), which OCR approved on January 2, 2018 by issuing a conditional approval letter (“Conditional Approval Letter 1”).
3. On August 7, 2018, Respondent informed OCR that it wanted the Application to reflect a different property than that specified in Conditional Approval Letter 1. The new property was located at [REDACTED], Hope Valley (“Facility Location 2”), adjacent to Facility Location 1.
4. On September 24, 2018, after receiving Facility Location 2’s evidentiary submissions, OCR issued a conditional approval letter (“Conditional Approval Letter 2”) for Facility Location 2.
5. On March 28, 2019, OCR issued a third conditional approval letter (“Conditional Approval Letter 3”) at Respondent’s request extending its pre-licensure requirements’ deadline to December 28, 2019 for it to erect a new free-standing pre-fabricated structure, rather than retrofit Facility Location 2’s existing structure pursuant to Conditional Approval Letter 2.
6. On or about December 11, 2019, Respondent informed OCR that it had encountered facility construction obstacles related to Respondent’s proximity to a wetland and on January 6, 2020, the Respondent formally requested a third extension for a period of nine (9) months

within which to complete DEM's requirements for wetland proximity and construct its proposed facility.

7. On March 12, 2020, after OCR requested and did not receive specific supporting details for Respondent's third extension, OCR sent Respondent a letter rescinding its Application approval, denying its extension request and providing notice of its right to an administrative hearing.
8. On March 17, 2020, Respondent's Counsel provided OCR with additional information explaining its delays, requested a reconsideration of OCR's approval rescission, and requested an administrative hearing.
9. On April 10, 2020, the Department issued an Order to Show Cause ("Order") in conformity with Respondent's Counsel's request for a hearing.
10. It is the Department's position, as stated in the Order, that Respondent failed to take reasonable efforts during any of the nine-month periods following Conditional Approval Letter 1, Conditional Approval Letter 2 or Conditional Approval Letter 3, to complete the prerequisites for issuance of its License in violation of 230-RICR-80-5-1, *Rules and Regulations Related to the Medical Marijuana Program Administered by the Department of Business Regulation* ("MMP Rules"), § 1.5(B)(2) and § 1.6(E)<sup>1</sup>.
11. Respondent's position is that it has demonstrated sufficient good cause for its third extension request, namely providing evidence of DEM required land-use permitting requirements, and that it has made reasonable and documented efforts during each of the nine-month periods following Conditional Approval Letter 1, Conditional Approval Letter 2 and Conditional Approval Letter 3 to complete the necessary pre-requisites for its License.
12. In an effort to affect a timely and amicable resolution of the issues raised in this Consent Agreement without an administrative hearing, the Department and the Respondent enter into this Consent Agreement solely for the purpose of avoiding the burdens and expenses of litigation. The Respondent and the Department agree to resolve the matter based upon the Respondent's representations set forth below in this Section 12 and satisfaction of the following terms and conditions:
  - a) Respondent represents and affirms that its third extension request arose from its pursuit of facility construction pursuant to Conditional Approval Letter 3, which ultimately required a DEM Wetlands Permit, Onsite Wastewater Treatment System Permit, Stormwater Construction and Water Quality Certification approvals. Respondent received verification of these requirements on November 19, 2019 from the engineering firm it engaged.
  - b) Respondent represents and affirms that updates to the Federal Emergency Management Administration ("FEMA") Flood Insurance Rate Map for the area of the Wood-Pawcatuck Watershed, and the April 3, 2020 FEMA Flood Insurance Study for Washington County,

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<sup>1</sup> Any reference in the Order to the MMP Rules are to those which were in effect from January 1, 2017 to March 25, 2020.

Rhode Island, which increased the 100-year flood plain by one (1) foot, necessitated alteration to facility plans at Location 2 and further timeline adjustments regarding the third extension request.<sup>2</sup>

- c) Respondent will complete all construction at Facility Location 2 necessary for the satisfaction of the prerequisites for its License issuance pursuant to MMP Rules § 1.3(F)(3)<sup>3</sup> by **October 21, 2020**, specifically including but not limited to the following:
- (1) Any and all tasks represented in the *THCBD, LLC – Marijuana Cultivation Facility - [REDACTED], Hopkinton, RI – Milestone Construction Schedule 5\_22\_20* (1 page), delivered to OCR via e-mail on May 26, 2020;
  - (2) Installation and successful operation of Respondent’s video surveillance system and remote access to its continuous live feed to OCR pursuant to MMP Rules § 1.6.5(D);
  - (3) Issuance of the registry identification cards pursuant to MMP Rules § 1.4;
  - (4) Installation of any grow lights expected to be used for its cultivation of medical marijuana; and
  - (5) Issuance of a Temporary Certificate of Occupancy from the town of Hopkinton (Charlestown).
- b. The DBR Pre-License Inspection pursuant to MMP Rules § 1.3(F)(4) will occur on **October 21, 2020**;
- c. Respondent will submit progress updates on the Facility Location 2’s construction via e-mail to Mr. David Brooks, OCR Inspector ([David.Brooks@dbr.ri.gov](mailto:David.Brooks@dbr.ri.gov)) and Mr. Peter Squatrito, OCR Inspector ([Peter.Squatrito@dbr.ri.gov](mailto:Peter.Squatrito@dbr.ri.gov)) by the close of business every Monday and said reports shall include any activity that occurred at Facility Location 2 in the seven (7) days prior to the date of its submission and such reporting shall continue from the date of execution of this consent agreement until OCR issues Respondent its License but not later than **October 21, 2020**;
- d. Respondent will supply OCR with any and all supplemental materials requested for verification of any representation or assertion made in any weekly report submitted to OCR as a result of Respondent’s compliance with paragraph 14(c) of this Consent Agreement;
- e. Respondent acknowledges, understands and agrees that OCR will not issue any further extensions to Respondent for the completion of any pre-requisites for issuance of its License beyond the date of **October 21, 2020**.

13. The parties agree that this Consent Agreement and its terms represent the final determination of this matter.

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<sup>2</sup> Respondent’s third extension request has been updated to reflect the timelines as provided in paragraph 14.

<sup>3</sup> Any reference in paragraph 14 to the MMP Rules are to those which are currently in effect, beginning March 25, 2020.

14. *Waiver of Hearing and Appeal.* By agreeing to resolve this matter through the execution of this Consent Agreement, Respondent knowingly and voluntarily waives any right to an administrative hearing and waives any right to pursue an appeal to the Superior Court under the Rhode Island Administrative Procedures Act, R.I. Gen. Laws § 42-35-1, *et seq.*
15. *Enforcement.* If the Respondent fails to comply with any term or condition of this Consent Agreement within any applicable time period set forth herein, the Respondent will be in violation hereunder and the Department shall be entitled to immediately take enforcement or other action in accordance with applicable law.
16. *Compliance; Laws.* Compliance with the terms of this Consent Agreement does not relieve the Respondent of any obligation to comply with other applicable laws or regulations administered by or through the Department or any other governmental agency.

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For the Department:



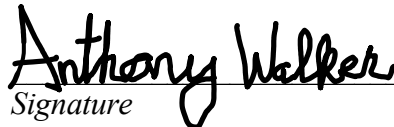
Signature

Erica Ferrelli

Senior Economic & Policy Analyst

Date: 6.23.2020

Respondent THCBD, LLC:

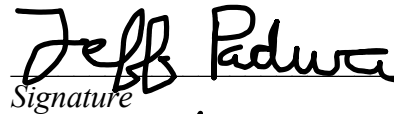


Signature

Name:

Title:

Date: \_\_\_\_\_



Signature

Date: 6/22/20

Jeffrey Padwa, Esq.

Counsel for the Respondent